

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

The Guest Company

Connecticut State Technology Extension Program

The Guest Company Charges Forward With Lean Initiative

Client Profile:

The Guest Company has performed electromechanical assembly operations since the early 1960s. Its 85 employees make battery chargers and lighting and safety equipment in a company-owned 35,000 square foot facility in Meriden, Connecticut. In addition to battery chargers, The Guest Company produces spotlights, navigation, and cabin lights for both industrial and recreational marine use; switches, battery isolators, and voltage scanners to recreational boat owners; and battery chargers for the wheelchair and scooter market.

Situation:

The Guest Company has enjoyed a 30 percent growth rate during the past five years. Although growth of the company has been good, even greater growth is expected in the future, since the entire workforce is now involved in process improvement. While The Guest Company prepared for ISO 9000:2000 registration, managers learned more about the concept of lean manufacturing. The company participated in lean manufacturing awareness training conducted by the Connecticut State Technology Extension Program (CONNSTEP), a NIST MEP network affiliate, using Connecticut Department of Labor (DOL) funding. Northeast Utilities (NU) followed up with a visit to The Guest Company to explain how the company could benefit by saving energy while increasing productivity. NU encouraged The Guest Company to participate in the PRIME Program, which is part of NU's Commercial and Industrial Conservation Load Management Program and an outgrowth of the State of Connecticut's electric utility restructuring legislation. PRIME focuses on helping energy-intensive manufacturers implement lean manufacturing, a proven approach to manufacturing that dramatically improves productivity and resource utilization and eliminates waste throughout the operation. The lean manufacturing work is facilitated by CONNSTEP.

Solution:

CONNSTEP began its lean implementation at The Guest Company with a value stream mapping (VSM) exercise conducted on the company's Potted Charger Cell. After producing a diagram of how information and material flow through the cell, the team offered its ideas on how the product should flow in order to minimize waste in the process. CONNSTEP's VSM exercise was followed up with a three-day kaizen blitz on the wire assembly operation, the lead process in the Potted Charger Cell. A kaizen blitz is an intensive and focused approach to process improvement, using lean tools such as the kanban/pull system, point-of-use

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storage, and line balancing.

CONNSTEP guided a shop floor team as it instituted kanban signals for facilitating flow, line balancing, point-of-use storage, and visual management techniques. CONNSTEP also taught the team methods for the continued elimination of non-value-added operations. After three days, the team doubled production capacity, reduced work-in-process inventory by 15 percent, reduced the number of process steps, and, most importantly, reduced The Guest Company's consumption of electricity by over 43,000 kilowatt-hours per year. The project has been so successful that workers in other areas are requesting kaizen events in their areas.

Results:

Doubled production capacity.

Reduced lead time from 10 days to 2 days.

Reduced work-in-process inventory by 15 percent.

Reduced the number of process steps from 10 to 7.

Reduced the distance a part travels from 768 feet to 117 feet.

Reduced energy consumption by over 43,000 kilowatt-hours per year.

Improved employee participation and morale.

Testimonial:

"We feel we can become more competitive and more profitable as we start to see the benefits of implementing lean practices with the help of the Connecticut State Technology Extension Program."

Stan Sarnowski, General Manager